

APPLICABLE PRICING SUPPLEMENT

Pinnacle Technology Holdings Limited

(the "Issuer")

(Incorporated with limited liability in South Africa under registration number 1986/000334/06)

Issue of R315 000 000 Secured Floating Rate Notes with Stock Code PTH01

Under its R2 500 000 000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum Issued by the Issuer dated 19 April 2013, as may be amended or supplemented from time to time. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum contains all information required by Applicable Law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in the Programme Memorandum, the Applicable Pricing Supplements and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

DESCRIPTION OF THE NOTES

- | | |
|------------------------|--|
| 1. Issuer | Pinnacle Technology Holdings Limited |
| 2. Status of the Notes | Senior Notes |
| 3. Security | Secured. The Notes are Group 1 Notes. The Issuer undertakes to procure that each of Pinnacle Micro (Pty) Ltd (Registration number 1993/000917/07), Axiz (Pty) Ltd (Registration number |

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1989/000907/07) and Centrafin (Pty) Ltd (Registration number 2000/011521/07), execute a reversionary Security Cession over their trade and financial receivables, in favour of Trustee for the benefit of the Group 1 Noteholders, within 3 months of the Issue Date, and ranking second-only to the security cession in favour of the bank or similar financial institution lenders to each such cedent

- | | | |
|-----|--|--|
| 4. | Listed/Unlisted | Listed. The Issuer undertakes, to the extent possible, to ensure that the Notes remain listed |
| 5. | Series number | 1 |
| 6. | Tranche number | 1 |
| 7. | Aggregate Principal Amount of this Tranche | R315 000 000 |
| 8. | Interest/Payment Basis | Floating Rate |
| 9. | Issue Date and first settlement date | 30 April 2013 |
| 10. | Minimum Denomination per Note | R1 000 000 |
| 11. | Specified Denomination (Principal Amount per Note) | R1 000 000 |
| 12. | Issue Price(s) | 100% of the Principal Amount of each Note |
| 13. | Applicable Business Day Convention, if different to that specified in the Terms and Conditions | Modified Following Business Day |
| 14. | Interest Commencement Date(s) | 30 April 2013 |
| 15. | Step-Up Date | The first day of the Interest Period commencing after delivery of a certificate by the Issuer in terms of Condition 24.7.2, where: |

(a) the ratio of Net Debt to Consolidated EBITDA exceeds 2.5 times for the 12 month period ending on the last day of the financial year or financial half year of the Issuer, as the case may be, (after giving effect to the pro-forma adjustments for additional Financial Indebtedness and/or EBITDA); or

(b) the ratio of Consolidated EBITDA to Consolidated Net Interest Costs (Consolidated

Interest Expense less Consolidated Interest Income) is less than 4 times for the 12 month period ending on the last day of the financial year or financial half year of the Issuer, as the case may be, (after giving effect to the pro-forma adjustments for additional interest cost and/or EBITDA); or

(c) the Rating assigned to the Notes of this Series falls below an Investment Grade Rating;

provided that the Step-Up Rate will cease to apply from the first day of the Interest Period commencing after delivery of a certificate by the Issuer in terms of Condition 24.7.2, which reflects that

(a) the ratio of Net Debt to Consolidated EBITDA is 2.5 times or lower for the 12 month period ending on the last day of the financial year or financial half year of the Issuer, as the case may be, (after giving effect to the pro-forma adjustments for additional Financial Indebtedness and/or EBITDA); and

(b) the ratio of Consolidated EBITDA to Consolidated Net Interest Costs (Consolidated Interest Expense less Consolidated Interest Income) is 4 times or higher for the 12 month period ending on the last day of the financial year or financial half year of the Issuer, as the case may be, (after giving effect to the pro-forma adjustments for additional interest cost and/or EBITDA); and

(c) the Rating assigned to the Notes of this Series is an Investment Grade Rating.

16. Final Redemption Date	30 April 2016
17. Specified Currency	ZAR
18. Additional Business Centre	N/A
19. Maturity Amount	100% of the Principal Amount of each Note
20. Negative Pledge	Applicable - See Condition 24.2 of Appendix "B".

21. Set out the relevant description of any additional/amended Terms and Conditions relating to the Notes (including additional covenants, if any) See Appendix "B" for additional/amended Terms and Conditions relating to the Notes

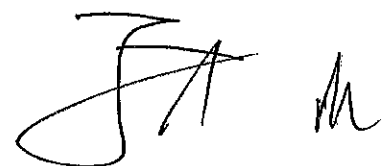
FIXED RATE NOTES

N/A

22. Fixed Interest Rate N/A
23. Interest Payment Date(s) N/A
24. Interest Period(s) N/A
25. Initial Broken Amount N/A
26. Final Broken Amount N/A
27. Step-Up Rate N/A
28. Any other items relating to the particular method of calculating interest N/A

FLOATING RATE NOTES

29. Interest Payment Date(s) The last day of April, July, October and January of each year, or if such day is not a Business Day then in accordance with the Following Business Day convention
30. Interest Period(s) From (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date
31. Manner in which the Interest Rate is to be determined Screen Rate Determination
32. Margin/Spread for the Interest Rate 2.10% per annum to be added to the relevant Reference Rate
33. Margin/Spread for the Step-Up Rate 20% of the initial Margin in item 32, to be added to the Interest Rate
34. If Screen Determination



- (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) 3 month JIBAR
- (b) Rate Determination Date(s) The first day of each Interest Period, provided that the Rate Determination Date for the first Interest Period shall be 25 April 2013
- (c) Relevant Screen page and Reference Code SAFEY Page (or the SAFEX nominated successor screen for JIBAR) under the caption "SFX 3M YIELD
35. If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, insert basis for determining Interest Rate/Margin/Fall back provisions N/A
36. Any other terms relating to the particular method of calculating interest N/A
- ZERO COUPON NOTES** N/A
37. (a) Implied Yield N/A
- (b) Reference Price N/A
- (c) Equivalent Discount Rate N/A
- (d) Spread to Reference Rate N/A
- (e) Maturity Date N/A
- (f) Day Count N/A
- (g) Any other formula or basis for determining amount payable N/A

INDEXED NOTES

38. (a) Type of Indexed Notes N/A
- (b) Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined N/A
- (c) Manner in which the Interest N/A

Amount/Final Redemption Amount is to be determined

- (d) Interest Period N/A
- (e) Interest Payment Date(s) N/A
- (f) If different from the Calculation Agent, agent responsible for calculating amount of principal and interest N/A
- (g) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable N/A

OTHER NOTES

39. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description of any additional Terms and Conditions relating to such Notes N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

40. Redemption at the option of the Issuer in terms of Condition 8.4: if yes: No

- (a) Optional Redemption Date(s) N/A
- (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) N/A
- (c) Minimum period of notice N/A
- (d) If redeemable in part:

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	Minimum Redemption Amount(s)	N/A
	Higher Redemption Amount(s)	N/A
	(e) Other terms applicable on Redemption	N/A
41.	Redemption at the option of the holders of the Senior Notes (Put Option) in terms of Condition 8.5: if yes	No
	(a) Optional Redemption Date(s) (Put)	N/A
	(b) Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s)	N/A
	(c) Minimum period of notice	N/A
	(d) If redeemable in part:	N/A
	Minimum Redemption Amount(s)	N/A
	Higher Redemption Amount(s)	N/A
	(e) Other terms applicable on Redemption	N/A
42.	Redemption at the option of the holders of the Notes upon the occurrence of a Put Event in terms of Condition 8.6:	
	(a) Delisting of the Notes of this Tranche/the ordinary shares of the Issuer from the JSE	Yes
	(b) Change of Control	Yes
	(c) Issuer disposing of all or the greater part of its undertaking or assets	Yes
	(d) Additional Put Event:	Yes
	an Obligor disposing of a Material part of the Group's undertaking or a Material asset of the Group and following such disposal:	
	(1) the ratio of Net Debt to	

Consolidated EBITDA exceeds 2.5 times for the Measurement Period ending on the last day of the month preceding the effective date of the disposal (after giving effect to the pro-forma adjustments to Financial Indebtedness and/or EBITDA by excluding the relevant business unit or asset that is sold); or

(2) the ratio of Consolidated EBITDA to Consolidated Net Interest Costs (Consolidated Interest Expense less Consolidated Interest Income) is less than 4 times for the Measurement Period ending on the last day of the month preceding the effective date of the disposal (after giving effect to the pro-forma adjustments to interest cost and/or EBITDA by excluding the relevant business unit or asset that is sold).

For the purposes of this Put Event, Material part of the Group's undertaking means any business that contributed 10% or more to the Consolidated EBITDA of the Group for the relevant Measurement Period or 10% or more of the consolidated net profit after tax of the Group for the relevant Measurement Period or 10% or more to the consolidated total assets of the Group for the relevant Measurement Period.

For the purposes of this Put Event, Material asset of the Group means any asset that contributed 10% or more to the consolidated total assets of the Group for the relevant Measurement Period.



43. Early Redemption Amount(s) payable on redemption for Taxation reasons in terms of Condition 8.3 or Optional Redemption following a Put Event in terms of Condition 8.6 or early redemption following an Event of Default in terms of Condition 12 : if yes Yes
- Early Redemption Amount and method, if any, of calculation of such amount As per Condition 8.7

GENERAL

44. Additional selling restrictions N/A
45. International Securities Numbering (ISIN) ZAG000105230
46. Stock Code PTH01
47. Financial Exchange JSE
48. Dealer(s) RMB
49. If syndicated, names of Lead Manager(s) N/A
50. Method of distribution Sealed Bid Auction
51. Rating assigned to the Issuer/the Programme/this Tranche of Notes (if any), date of such rating and date for review of such rating Issuer rating of BBB+ (ZA). The Issuer undertakes, to the extent possible, to ensure that the Issuer remains rated.
52. Rating Agency, if any Global Credit Rating Co. Proprietary Limited
53. Governing Law South Africa
54. Last Day to Register by 17h00 on the Business Day preceding the Books Closed Period
55. Books Closed Period the 10 days prior to each Interest Payment Date and Redemption Date, namely from and including 20 April to but excluding 30 April, from and including 21 July to but excluding 31 July, from and including 21 October to but excluding 31 October and from and including 21 January to but excluding 31 January of each year until the Final Redemption

	Date
56. Calculation Agent	RMB
57. Specified Office of the Calculation Agent	1 Merchant Place, Cnr Fredman Drive & Rivonia Road, Sandton, 2196
58. Transfer Agent	RMB
59. Specified Office of the Transfer Agent	1 Merchant Place, Cnr Fredman Drive & Rivonia Road, Sandton, 2196
60. Debt Sponsor	RMB
61. Issuer's Settlement Agent	RMB
62. Specified Office of the Issuer's Settlement Agent	1 Merchant Place, Cnr Fredman Drive & Rivonia Road, Sandton, 2196
63. Stabilisation Manager, if any	N/A
64. Programme Amount	R2 500 000 000
65. Aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
66. Aggregate Outstanding Principal Amount of Notes in issue in respect of the Series on the Issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued in respect of the Series on the Issue Date
67. Aggregate Outstanding Principal Amount of Group 1 Notes in issue on the Issue Date of this Tranche	R0, excluding this Tranche of Notes and any other Tranche(s) of Group 1 Notes to be issued on the Issue Date
68. Trustee	The Issuer undertakes to appoint GMG Trust Company (SA) (Pty) Ltd as Trustee, and to lodge the trust deed for registration within 20 Business days of the issue Date
69. Specified Office of the Trustee	3rd Floor, 200 on Main, Cnr Main and Bowwood Roads, Claremont, 7708
70. Other provisions	N/A

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3 (5) OF THE COMMERCIAL PAPER REGULATIONS – SEE APPENDIX "A"

ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE NOTES – SEE APPENDIX "B"

Application is hereby made to list this Tranche of the Notes, as from 30 April 2013, pursuant to the Pinnacle Technology Holdings Limited Domestic Medium Term Note Programme. The Programme was registered with the JSE on 23 April 2013.

~~PINNACLE TECHNOLOGY HOLDINGS LIMITED~~

By: _____

Director, duly authorised

Date: 25 April 2013

By: _____

Director, duly authorised

Date: 25 April 2013

APPENDIX "A"**Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations**

At the date of this Applicable Pricing Supplement:

Paragraph 3(5)(a)

The ultimate borrower is the Issuer or wholly-owned subsidiaries of the Issuer.

Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is BDO South Africa Incorporated.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has not issued any Notes; and
- (b) it is not anticipated that the Issuer will issue additional Notes during the remainder of its current financial year.

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for general corporate purposes.

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Paragraph 3(5)(i)

The Notes are will be secured with effect from the date referred to in paragraph 3 of the Applicable Pricing Supplement.

Paragraph 3(5)(i)

BDO South Africa Incorporated, the auditors of the Issuer, have confirmed that nothing has come to their attention to cause them to believe that this issue of Notes issued under the Programme will not comply in all material respects with the relevant provisions of the Commercial Paper Regulations (Government Notice 2172 in Government Gazette No, 16167 of 14 December 1994) published under Paragraph (cc) of the definition of the "business of a bank" in terms of Section 1 of the Banks Act, 1990).


PINNACLE TECHNOLOGY HOLDINGS LIMITED

By: _____

Director, duly authorised

Date: 25 April 2013


By: _____

Director, duly authorised

Date: 25 April 2013

APPENDIX "B"**ADDITIONAL/AMENDED TERMS AND CONDITIONS RELATING TO THE NOTES OF THE SERIES****EVENTS OF DEFAULT**

Condition 12.1 of the Terms and Conditions set out in the Programme Memorandum is amended in relation to the Notes of this Tranche by the insertion of the following new Conditions:

"Condition 12.1.10 Trust Deed

The Trust Deed, in form and substance approved by the Dealer, is not lodged for registration with the within 20 Business Days of the Issue Date."

"Condition 12.1.11 Security Cession

The Security Cession, in form and substance approved by the Dealer, is not executed within 3 months of the Issue Date, or such longer period approved by Extraordinary Resolution of the Group 1 Noteholders."

"Condition 12.1.12 Security Unenforceable

After the execution of the Security Cession, any security interest granted or purported to be granted pursuant to Security Cession becomes unenforceable for any reason whatsoever and such unenforceability, if capable of remedy, remains unremedied for 15 Business Days after written notice thereof has been delivered by or on behalf of any Noteholder to the Issuer and the relevant Subsidiary Guarantor."

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Condition 12.2 (Steps following an Event of Default relating to the Senior Notes) of the Terms and Conditions set out in the Programme Memorandum is amended in relation to the Notes of this Tranche by the deletion of Condition 12.2 and the replacement thereof of the following Condition 12.2, with effect from the date that letters of authority are issued to the Trustee:

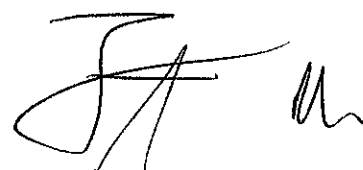
12.2 Condition 12.2 Steps following an Event of Default relating to the Notes

12.2.1 If an Event of Default occurs in relation to the Notes of the Series:

12.2.1.1 the Calculation Agent and/or the Issuer will forthwith inform the Trustee thereof; and

12.2.1.2 the Trustee will, as soon as such Event of Default comes to its notice (whether as a result of having been informed by the Calculation Agent and/or the Issuer thereof pursuant to Condition 12.2.1.1 or otherwise), forthwith call a meeting of the Group 1 Noteholders.

12.2.2 The Trustee shall immediately upon becoming aware of the occurrence of an Event of Default set out in Condition 12.1.6 (*Insolvency Events*) and if any other Event of Default has occurred and is continuing at its discretion may, and if so directed by an Extraordinary Resolution of the Group 1 Noteholders shall, give written notice to the Issuer that the Group 1 Notes are, and they shall accordingly become immediately due and payable at their Early Redemption Amount together with accrued interest (if any) thereon to the date of payment.

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COVENANTS

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 24 (Covenants and Undertakings):

24 Condition 24 Covenants and Undertakings

24.1 Limitation of Financial Indebtedness

24.1.1 The Issuer shall not, and shall not permit any Subsidiary Guarantor to, create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become responsible for, contingently or otherwise, the payment of (individually and collectively, to "incur" or, as appropriate, an "incurrence"), any Financial Indebtedness (including any Acquired Financial Indebtedness); provided that the Issuer and any Subsidiary Guarantor shall each be permitted to incur Financial Indebtedness (including Acquired Financial Indebtedness), if in each case:

24.1.1.1 after giving effect to the incurrence of such Financial Indebtedness and the application of the proceeds thereof, on a pro forma basis, no Potential Event of Default or Event of Default would occur or be continuing; and

24.1.1.2 at the time of such incurrence and after giving effect to the incurrence of such Financial Indebtedness and the application of the proceeds thereof, on a pro forma basis:

24.1.1.2.1 the Net Leverage Ratio for the Measurement Period immediately preceding the incurrence of such Financial Indebtedness, taken as one period, would not be more than 2.5 to 1.0; and

24.1.1.2.2 the Debt Service Ratio for the Measurement Period immediately preceding the incurrence of such Financial Indebtedness, taken as one period, would be greater than 4.0 to 1.0.

The Issuer shall deliver a certificate signed by a director of the Issuer to the Calculation Agent and to the Noteholders, at least 10 Business Days prior to the proposed date of incurrence of such Financial Indebtedness, confirming compliance with this Condition 24.1.1 and including relevant calculations of the ratios.

24.1.2 This covenant shall not, however, prohibit the following (collectively, "Permitted Financial Indebtedness"):

24.1.2.1 the incurrence by the Issuer or any Subsidiary Guarantor under Working Capital Facilities in an aggregate principal amount at any one time outstanding for all Obligor collectively not to exceed R650 000 000; or




24.1.2.2 the incurrence by the Issuer or any Subsidiary Guarantor under Property Finance Facilities in an aggregate principal amount at any one time outstanding for all Obligors collectively not to exceed R50 000 000.

24.1.3 The Issuer shall not permit the aggregate Financial Indebtedness of Subsidiaries that are not Subsidiary Guarantors, collectively at any one time outstanding, to exceed an amount of ZAR50 million; provided that Financial Indebtedness of a Person existing at the time such Person becomes a Subsidiary, but is not required to be a Subsidiary Guarantor, is discharged within 20 Business Days of such Person becoming a Subsidiary.

24.2 Limitation on Encumbrances

24.2.1 Condition 11 (*Negative pledge*) of the Programme Memorandum is applicable; provided that the Permitted Encumbrances in Condition 11.3.2, 11.3.3 and 11.3.9 shall not apply.

24.2.2 The provisions set out in Condition 11.2 (*Negative pledge*) shall not apply to the following, which shall constitute additional Permitted Encumbrances:

24.2.2.1 Encumbrances over trade and financial receivables (as reflected on an Obligor's balance sheet), securing Financial Indebtedness under Working Capital Facilities in an aggregate principal amount at any one time outstanding for all Obligors collectively not to exceed R650 000 000;

24.2.2.2 Encumbrances securing Financial Indebtedness under Property Finance Facilities in an aggregate principal amount at any one time outstanding for all Obligors collectively not to exceed R350 000 000; provided that Financial Indebtedness under Property Finance Facilities above the R50 000 000 permitted to be incurred pursuant to Condition 24.1.2.2, may only be incurred if (i) the provisions of Condition 24.1.1 are satisfied, and (ii) the debt is used for the development and erection of new buildings, warehousing, roads, parking areas and general landscaping and (iii) at the time of the incurrence, the ratio of the additional Financial Indebtedness incurred to the market value of the additional land and buildings purchased does not exceed 80%.

24.3 Intra-Group Loans

The Issuer shall not, and shall not permit any Subsidiary Guarantor to grant loans to any Person that is not the Issuer or a Subsidiary Guarantor; provided that this will not prohibit loans to any Person that is not the Issuer or a Subsidiary Guarantor collectively at any one time outstanding not exceeding an amount of ZAR50 million.

24.4 Intra Group Transaction

The Issuer shall not, and shall not permit any Subsidiary Guarantor to, directly or indirectly, enter into or permit to exist any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets or property or the rendering of any

service), with, or for the benefit of, any member of the Group, unless such transaction or series of transactions is entered into in good faith and such transaction or series of transactions is in accordance with the Group policy at the Issue Date and is on terms that are not below the cost of the goods and/or services and require payment in cash within a period of time that would apply in normal market related transactions with third parties. The provisions of this Condition 24.4 shall not apply to transactions between the Issuer and Subsidiary Guarantors or amongst Subsidiary Guarantors.

24.5 Treasury Transactions

The Issuer shall not, and shall not permit any Subsidiary Guarantor to, enter into any Treasury Transaction other than Permitted Treasury Transactions.

24.6 Distributions

24.6.1 The Issuer shall not, and shall not permit any Subsidiary Guarantor to, directly or indirectly, make any Distributions.

24.6.2 Notwithstanding Condition 24.6.1 above, the Issuer or any Subsidiary Guarantor may make a Distribution if, at the time of and after giving pro forma effect to such proposed Distribution:

24.6.2.1 no Potential Event of Default or Event of Default has occurred and is continuing and such Distribution shall not be an event that is or, after notice or lapse of time or both, would be, an "event of default" under the terms of any Financial Indebtedness of the Issuer or of any Subsidiary Guarantor; and

24.6.2.2 at the time of such Distribution, the Dividend Cover Ratio for the Measurement Period immediately preceding the Distribution, taken as one period, would be greater than 4.0 to 1.0.

24.6.3 Notwithstanding Conditions 24.6.1 and 24.6.2, the Issuer and any Subsidiary Guarantor may take the following actions:

24.6.3.1 the payment of any dividend within 60 days after the date of its declaration if at such date of its declaration such payment would have been permitted by the provisions of this covenant;

24.6.3.2 cash payments in lieu of issuing fractional shares pursuant to the exchange or conversion of any exchangeable or convertible securities;

24.6.3.3 Distributions between the Subsidiary Guarantors and the Issuer or amongst Subsidiary Guarantors;

24.6.3.4 any dividends declared and paid or Distribution made to a member of the Group that is not the Issuer or a Subsidiary Guarantor, provided that such member of the Group simultaneously declares and pays a dividend or makes a Distribution in the same amount to the Issuer or a Subsidiary Guarantor (or to another member of the

Group that is not the Issuer or a Subsidiary Guarantor, provided that such member of the Group, and any further members of the Group that receive the Distribution that are not the Issuer or a Subsidiary Guarantor, likewise immediately declare and pay a dividend or make a Distribution in the same amount, such that the ultimate recipient of the Distribution is the Issuer or a Subsidiary Guarantor); and

- 24.6.3.5 any Distribution expressly approved by Extraordinary Resolution of the Noteholders.

24.7 Information Undertakings

- 24.7.1 The Issuer undertakes to deliver to the Calculation Agent, the Trustee, the Noteholders and to the JSE, its audited annual financial statements and reviewed unaudited interim financial results, within 90 days of each financial year end of the Issuer and within 75 days of each financial half year end of the Issuer, as the case may be, commencing with the year ending on 30 June 2013.

- 24.7.2 The Issuer shall deliver to the Calculation Agent and the Trustee, together with the financial statements delivered in terms of Condition 24.6.1, a certificate, signed by 2 directors of the Issuer, confirming compliance with the Covenants during the previous 6 months and confirming compliance with the Covenants referred to in paragraph 15 of the Applicable Pricing Supplement as at the financial year end and financial half-year end, respectively, and any reconciliation of such financial statements to the pro forma financial statements required for the purposes of calculating the Covenants during the 12 months prior to the relevant financial year end or financial half year end, as the case may be.

- 24.7.3 Each compliance certificate delivered with the audited consolidated annual financial statements shall be accompanied by a certificate from the Issuer's auditors confirming the calculations in the compliance certificates delivered by the Issuer to the Noteholders during the previous year.

- 24.7.4 If there is a change in the IFRS accounting principles from that applicable at the Issue Date, then the Issuer may convene a meeting of the Noteholders of the Series to approve, by Extraordinary Resolution, any changes required to the financial ratios referred to in the relevant Covenants so as to put the Issuer in the same position that it would have been in had a change in the IFRS accounting principles not occurred. Until such amendments are approved by Extraordinary Resolution of the Noteholders of the Series, the Issuer will provide a description of any changes necessary for the financial statements delivered in terms of Condition 24.7.2 to reflect the IFRS accounting principles applicable at the Issue Date, and the financial ratios referred to in the relevant Covenants will be calculated on the basis of pro forma financial statements reflecting the IFRS accounting principles applicable at the Issue Date.

24.8 Security Coverage Tests

- 24.8.1 The Issuer must ensure that:

24.8.1.1 the ratio of Financial Indebtedness outstanding under Working Capital Facilities which are secured by Good Debtors, may not exceed an amount equal to 50% of those Good Debtors; and

24.8.1.2 the ratio of Good Debtors that have been ceded in security in terms of the Security Cession to Financial Indebtedness outstanding under Working Capital Facilities and Group 1 Notes which are secured by those Good Debtors, shall not be less than 1.0 times,

Where:

Good Debtors means Trade and Financial Receivables that have been outstanding for 120 days or less, then less any impairments (as reflected on the Obligor's balance sheet) on those Trade and Financial Receivables (without double counting); and

Trade and Financial Receivables means, in relation to each Obligor, all the book debts owed to and claims of that Obligor against its trade and financial debtors from time to time (as reflected on that Obligor's balance sheet).

24.8.2 The covenants shall be tested on:

24.8.2.1 last day of March, June, September and December of each year; and

24.8.2.2 the last day of the month preceding the incurrence of additional Financial Indebtedness (other than Permitted Financial Indebtedness), taking account of the pro forma effect of the incurrence of such additional Financial Indebtedness;

as the case may be (each a "**Measurement Date**"), by reference to the management accounts of the Obligors or, to the extent available, the audited financial statements of the Obligors.

24.8.3 The Issuer must deliver a compliance certificate to the Calculation Agent in respect of the above covenants within 20 Business Days after each Measurement Date.


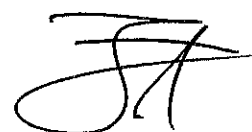
24.8.4 A compliance certificate must be signed by 2 duly authorised directors of the Issuer.

THIRD PARTY RIGHTS AND OBLIGATIONS

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 25 (Third party rights and obligations):

25. Condition 25 Third party rights and obligations

- 25.1 Each Group 1 Noteholder, upon its subscription for the Group 1 Notes and the issue of the Group 1 Notes to it, or upon the transfer of the Group 1 Notes to it, as the case may be, shall be bound by those provisions of the Trust Deed and the Security Cession which confer rights and/or impose obligations on the Group 1 Noteholders.
- 25.2 It is recorded that in terms of the Trust Deed, the Trustee shall be bound by those provisions of the Terms and Conditions of the Group 1 Notes which confer rights and/or impose obligations on the Trustee.



MEETINGS OF THE GROUP 1 NOTEHOLDERS

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 26:

26. Condition 26 - Meetings of the Group 1 Noteholders

Where a meeting of the Group 1 Noteholders is to be convened, in accordance with these Terms and Conditions, the trust deed of the Pinnacle Note Trust or the other Finance Documents, then the provisions of this Condition 26 shall apply.

26.1 Convening of meetings

26.1.1 The Issuer or the Trustee may at any time convene a meeting of the Group 1 Noteholders (a "meeting").

26.1.2 The Issuer or the Trustee will convene a meeting of the Group 1 Noteholders upon the requisition in writing of Group 1 Noteholders holding not less than 20% of the aggregate Outstanding Principal Amount of the Group 1 Notes (a "requisition notice").

26.1.3 Whenever the Issuer wishes to convene a meeting, it will forthwith give notice in writing to the Group 1 Noteholders in the manner prescribed in Condition 16 and to the Trustee in accordance with the provisions of the Trust Deed of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolutions to be proposed and considered at the meeting.

26.1.4 Whenever the Trustee wishes or is obliged to convene a meeting it will forthwith give notice in writing to the Group 1 Noteholders and the Issuer in the manner prescribed in Condition 16, of the place, day and hour of the meeting, the nature of the business to be transacted at the meeting and the resolutions to be proposed and considered at the meeting.

26.1.5 All meetings of the Group 1 Noteholders will be held in Johannesburg.

26.2 Requisition

26.2.1 A requisition notice will state the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting and will be deposited at the Specified Office of the Issuer or the Trustee, as the case may be.

26.2.2 A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

26.3 Convening of meetings by requisitionists

If the Issuer or the Trustee, as the case may be, does not convene a meeting to be held within 20 days of the deposit of a requisition notice, the requisitionists may themselves

convene the meeting, but the meeting so convened will be held within 60 days from the date of such deposit and will be convened as nearly as possible in the same manner as that in which meetings may be convened by the Issuer. Whenever the requisitionists are about to so convene any such meeting, requisitionists shall forthwith give notice of the meeting to the Issuer and the Trustee.

26.4 Notice of meeting

26.4.1 Unless the holders of at least 90% of the aggregate Outstanding Principal Amount of the Group 1 Notes, agree in writing to a shorter period, at least 15 days' written notice, specifying the place, day and time of the meeting, the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting, will be given to each Group 1 Noteholder, to the Issuer and to the Trustee.

26.4.2 The accidental omission to give such notice to any Group 1 Noteholder, to the Issuer or to the Trustee, as the case may be, or the non-receipt of any such notice, will not invalidate the proceedings at a meeting.

26.5 Quorum

26.5.1 A quorum at a meeting shall:

26.5.1.1 for the purposes of considering an Ordinary Resolution, consist of Group 1 Noteholders present in person or by proxy and holding in the aggregate not less than one-third of the aggregate Outstanding Principal Amount of the Group 1 Notes;

26.5.1.2 for the purposes of considering a resolution in respect of the dismissal of the Trustee and approval of the appointment of any new Trustee in accordance with the provisions of the Trust Deed or an Extraordinary Resolution, consist of Group 1 Noteholders present in person or by proxy and holding in the aggregate not less than a clear majority of the aggregate Outstanding Principal Amount of the Group 1 Notes.

26.5.2 No business will be transacted at a meeting of the Group 1 Noteholders unless a quorum is present at the time when the meeting proceeds to business

26.6 Chairman

The chairman of the meeting shall be appointed by the Trustee. If the Trustee or the person appointed by the Trustee to preside as chairman of the meeting is not present within 10 minutes of the time appointed for the holding of the meeting, the Group 1 Noteholders then present will choose one of their own number to preside as chairman.

26.7 **Adjournment**

- 26.7.1 Subject to the provisions of this Condition 26, the chairman may, with the consent of, and will on the direction of, the meeting adjourn the meeting from time to time and from place to place.
- 26.7.2 No business will be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 26.7.3 At least 14 days' written notice of the place, day and time of an adjourned meeting will be given by the Issuer or the Trustee, as the case may be, to the Issuer, the Trustee and each Group 1 Noteholder. In the case of a meeting adjourned in terms of Condition 26.6.3, the notice will state that the Group 1 Noteholders present in person or by proxy at the adjourned meeting will constitute a quorum.

26.8 **How questions are decided**

- 26.8.1 At a meeting, a resolution put to the vote will be decided on a poll.
- 26.8.2 In the case of an equality of votes, the chairman will not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

26.9 **Votes**

Voting shall only take place on a poll and not on a show of hands. On a poll every Group 1 Noteholder, present in person or by proxy, will be entitled to that proportion of the total votes which the aggregate Outstanding Principal Amount of the Group 1 Notes held by such Group 1 Noteholder bears to the aggregate Outstanding Principal Amount of all the Group 1 Notes held by Group 1 Noteholders present in person or by proxy at the meeting. In relation to joint Group 1 Noteholders, the vote may be exercised only by that Group 1 Noteholder whose name appears first on the Register in the event that more than one of such Group 1 Noteholders is present, in person or by proxy, at the meeting. The Group 1 Noteholder in respect of Group 1 Notes held in the Central Securities Depository in uncertificated form shall vote at any such meeting on behalf of the holders of Beneficial Interests in such Group 1 Notes in accordance with the instructions to the Central Securities Depository's Nominee from the holders of Beneficial Interests conveyed through the Participants in accordance with the Applicable Procedures.

26.10 **Proxies and representatives**

- 26.10.1 Group 1 Noteholders, present either in person or by proxy, may vote on a poll. A Group 1 Noteholder, may by an instrument in writing (a "proxy form") signed by the Group 1 Noteholder (or his duly authorised agent) or, in the case of a juristic person, signed on its behalf by a duly authorised officer of the juristic person, appoint any person (a "proxy" or "proxies") to act on his or its behalf in connection with any meeting or proposed meeting.


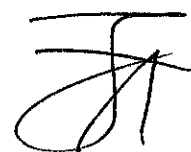
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- 26.10.2 A person appointed to act as proxy need not be a Group 1 Noteholder.
- 26.10.3 The proxy form will be deposited at the Specified Office of the Issuer or at the Specified Office of the Transfer Agent, as the case may be, not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such proxy proposes to vote.
- 26.10.4 No proxy form will be valid after the expiration of 6 months from the date named in it as the date of its execution.
- 26.10.5 Notwithstanding Condition 26.10.4, a proxy form will be valid for any adjourned meeting, unless the contrary is stated thereon.
- 26.10.6 A vote given in accordance with the terms of a proxy form will be valid notwithstanding the previous death or incapacity of the principal or revocation or amendment of the proxy form or of any of the instructions of the Group 1 Noteholder, pursuant to which the proxy form was executed or of the authority under which the proxy form was executed or the transfer of Group 1 Notes or in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity, revocation or amendment shall have been received by the Issuer at its Specified Office or the Transfer Agent at its Specified Office, as the case may be, more than, and that the transfer has been given effect to less than, 12 hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 26.10.7 Any Group 1 Noteholder which is a juristic person may authorise any person to act as its representative in connection with any meeting or proposed meeting of the Group 1 Noteholders, by resolution of the directors or other governing body of the juristic person. Any reference in the Terms and Conditions to a Group 1 Noteholder or any other member of the Group 1 Noteholders present in person, includes the duly authorised representative of a Group 1 Noteholder or any other member of the Group 1 Noteholders, as the case may be, which is a juristic person.
- 26.11 **Minutes**
- 26.11.2 The Issuer will cause minutes of all resolutions and proceedings of meetings to be duly entered in the minute books of the Issuer.
- 26.11.1 Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, will be receivable in evidence without any further proof, and until the contrary is proved, a meeting the Group 1 Noteholders in respect of the proceedings of which minutes have been so made will be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.



26.12 Written resolutions

A resolution in writing submitted to the Group 1 Noteholders entitled to exercise voting rights in relation to the resolution, and signed by the requisite majority of the Group 1 Noteholders, shall be as valid and effective as if it had been passed at a meeting duly convened and constituted and shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Group 1 Noteholders. That resolution may consist of two or more documents in the same form each of which is signed by one or more of the Group 1 Noteholders.



ADDITIONAL DEFINITIONS IN RESPECT OF THE NOTES

1. Terms and expressions set out below will have the meanings set out below in the Terms and Conditions of the Notes of the Tranche referred to in this Applicable Pricing Supplement:

1.1 **"Additional Notes"** means every Tranche of Notes issued in terms of the Programme in addition to the Initial Notes, in compliance with any limitation on the incurrence of additional Financial Indebtedness and the security coverage tests in accordance with the Covenants, which participate in the same security as that granted in favour of the holders of the Initial Notes (and thus identified in the Applicable Pricing Supplement as Group 1 Notes) and are issued on the same Terms and Conditions as the Initial Notes, except for their respective Issue Dates, Interest Commencement Dates, Issue Price, Interest Rate, Interest Payment Dates, early redemption penalties or fees and Final Redemption Dates;

1.2 **"Accounting Principles"** means the IFRS accounting principles applicable at the Issue Date;

1.3 **"Acquired Financial Indebtedness"** means Financial Indebtedness of a Person:

1.3.1 existing at the time such Person becomes a Subsidiary or is merged into or consolidated with the Issuer or any Subsidiary; or

1.3.2 assumed in connection with the acquisition of assets and liabilities from any such Person,

in each case provided that such Financial Indebtedness was not incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or such acquisition, as the case may be. Acquired Financial Indebtedness shall be deemed to be incurred on the date the acquired Person becomes a Subsidiary or the date of the related acquisition of assets from any Person;

1.4 **"Cash"** means cash and cash equivalents for purposes of IFRS, as reflected in the financial statements of the Relevant Group;

1.5 **"Consolidated EBIT"** means, in respect of any Measurement Period, the consolidated operating profit of the Group before taxation (including deferred taxation) and before deducting any Finance Charges, less the Non-Controlling Interests portion thereof, adjusted by excluding (without double counting) the following, less the Non-Controlling Interests portion thereof:

1.5.1 any material items which represent gains or losses arising on:

1.5.1.1 restructurings of the activities of a member of the Group and reversals of provisions for the costs of any such restructurings;

1.5.1.2 disposals of non-current Assets;

1.5.1.3 disposal of Assets associated with discontinued operations;

- 1.5.1.4 reversals of any provisions; and
- 1.5.2 any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- 1.5.3 impairment or write-off of intangible assets;
- 1.5.4 non-cash items excluding depreciation and amortisation; and
- 1.5.5 any Transaction Costs;

all determined in accordance with the Accounting Principles with reference to the Group's latest audited financial statements or monthly management accounts, as applicable;

- 1.6 **"Consolidated EBITDA"** means in respect of any Measurement Period, the Consolidated EBIT after adding back any amount attributable to the amortisation of intangible assets, depreciation of tangible assets (other than any amount attributable to the Non-Controlling Interests portion thereof) and excluding any charge for impairment or reversal of any previous charge made, as per the income statements of the Group, less the Non-Controlling shareholders Interest thereof, all determined in accordance with the Accounting Principles with reference to the Group's latest audited Financial Statements or monthly management accounts, as applicable;

- 1.7 **"Consolidated Interest Expenses"** means:

- 1.7.1 in respect of any Measurement Period, all of the Finance Charges (whether paid, payable or added to principal) incurred by the Group (including the consolidation of the Subsidiaries) during that Measurement Period, adjusted by excluding the Non-Controlling Interests portion thereof;
- 1.7.2 in respect of any Measurement Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of borrowings whether paid, payable or capitalised by the Group (calculated on a consolidated basis) in respect of that Measurement Period adjusted by excluding the Non-Controlling Interests portion thereof, and:
 - 1.7.2.1 excluding any Transaction Costs;
 - 1.7.2.2 taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis; and
 - 1.7.2.3 including consolidated interest expense and contractual amortisation of Financial Indebtedness of the Group adjusted by excluding the Non-Controlling Interests portion thereof, and/or any investment or in respect of any asset acquired for that Measurement Period, determined, in respect of the Measurement Period, as applicable. If any Financial Indebtedness bears Interest at a floating rate and is being given pro forma effect, the interest on such Financial Indebtedness shall




be calculated as if the rate in effect on the date of calculation had been the applicable rate for the entire period (taking into account any Permitted Treasury Transactions applicable to such Financial Indebtedness). For purposes of making the calculation referred to above, interest on any Financial Indebtedness outstanding during the relevant period under a Working Capital Facility computed on a pro forma basis shall be computed based upon the average daily balance of such Financial Indebtedness during the applicable period;

- 1.7.2.4 and so that no amount shall be added (or deducted) more than once;
- 1.8 **"Consolidated Interest Income"** means in respect of any Measurement Period, all of the cash interest received by the Group (including the consolidation of the Subsidiaries) during that Measurement Period, adjusted by excluding the Non-Controlling Interests portion thereof;
- 1.9 **"Consolidated Net Interest Costs"** means Consolidated Interest Expense less Consolidated Interest Income;
- 1.10 **"Covenants"** means the covenants referred to in Condition 24;
- 1.11 **"Debt Service Ratio of the Issuer"** means, for any period, the ratio of Consolidated EBITDA to the Consolidated Net Interest Costs;
- 1.12 **"Dividend Cover Ratio"** means, for any period, the ratio of consolidated net profit after tax of the Group to distributions paid;
- 1.13 **"Distribution"** means, in relation to the Issuer or a Subsidiary Guarantor, to:
- 1.13.1 declare, make or pay any dividend, charge, fee or other Distribution (in cash) on or in respect of its shares or share capital (or any class of its share capital), other than in respect of redeemable preference shares;
- 1.13.2 repay or distribute any share premium account;
- 1.13.3 pay any principal or interest in respect of amounts due (whether in respect of an inter-company loan, subordinated loan or otherwise) to or to the order of its shareholders; or
- 1.13.4 redeem, purchase or repay any of its shares or share capital (or any instrument convertible into shares or share capital) or resolve to do so;
- 1.14 **"Extraordinary Resolution of the Group 1 Noteholders"** means a resolution passed at a properly constituted meeting of the Group 1 Noteholders, by a majority consisting of not less than 66.67% of the votes cast at a poll by members of the Group 1 Noteholders, present in person or by proxy;
- 1.15 **"Finance Charges"** means, for any Measurement Period, the aggregate amount, without double counting, of the accrued interest, dividends on redeemable preference shares, commission, fees, discounts, prepayment fees, premiums or charges and other finance

payments in respect of Financial Indebtedness (excluding any such charges on any derivative transaction protecting against or benefiting from fluctuations in any rate or price), but taking no account of any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis) which is reported through the income statement;

1.16 "Financial Indebtedness" means any present or future indebtedness (whether being principal, interest or other amounts) including:

- 1.16.1 money borrowed and any debit balances at banks or other financial institution;
- 1.16.2 any amount raised by acceptance under any acceptance credit facility or bill discounting facility (or dematerialised equivalent);
- 1.16.3 any amount raised pursuant to any note purchase facility or the issue of notes, bonds, debentures, loan stock or any similar instrument;
- 1.16.4 the amount of any liability in respect of finance leases;
- 1.16.5 receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- 1.16.6 any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- 1.16.7 any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- 1.16.8 any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) or are otherwise classified as borrowings under the Accounting Principles;
- 1.16.9 any amount of any liability under an advance or deferred purchase agreement if (a) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (b) the agreement is in respect of the supply of assets or services and payment is due more than 90 (ninety) days after the date of supply;
- 1.16.10 any agreement or option to re-acquire an asset if one of the primary reasons for entering into such agreement or option is to raise finance;
- 1.16.11 any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the

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commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and

1.16.12 (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the Items referred to in the above sub-paragraphs.

1.17 **"Finance Documents"** means:

1.17.1 the Trust Deed;

1.17.2 the Terms and Conditions of the Group 1 Notes; and

1.17.3 the Security Cession;

1.17.4 the Subsidiary Guarantee;

1.17.5 any other document which is from time to time designated by the Trustee (on behalf of the Group 1 Noteholders) and the Issuer as a Finance Document;

and Finance Document means any one of them;

1.18 **"Group 1 Noteholders"** means the holders of the Group 1 Notes;

1.19 **"Group 1 Notes"** means:

1.19.1 the Initial Notes; and

1.19.2 the Additional Notes, if any,

and designated as such in the Applicable Pricing Supplement;

1.20 **"Initial Notes"** means all Tranches of Notes issued in terms of the Programme on the same date as Tranche 1 of Series 1 of the Notes;

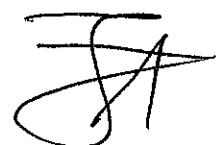

1.21 **"Investment Grade Rating"** means a national scale rating of at least "Baa3.za" by Moody's Investors Services Limited, "BBB-(zaf)" by Fitch Southern Africa (Pty) Ltd, "zaBBB-" by Standard & Poor's Rating Services, "BBB-" by Global Credit Rating Co. (Pty) Ltd or its equivalent for the time being;

1.22 **"IFRS"** means International Financial Reporting Standards and the interpretation of those standards as adopted by the International Accounting Standards Board;

1.23 **"Measurement Period"** means a period of 12 months ending on the last day of the month preceding the date on which the relevant ratio is calculated;

1.24 **"Net Debt"** means at any time, all Financial Indebtedness of the Group at that time, less the aggregate amount of Cash held by any member of the Group at that time, adjusted in each case by excluding the Non-Controlling Interests portion thereof;

- 1.25 **"Net Leverage Ratio"** of the Issuer means, for any period, the ratio of Net Debt to Consolidated EBITDA;
- 1.26 **"Non-Controlling Interests"** means in accordance with IFRS statement IAS 27, the equity in a Subsidiary not attributable, directly or indirectly, to the Issuer;
- 1.27 **"Obligor"** means the Issuer, each Material Subsidiary and each other Subsidiary Guarantor, if any;
- 1.28 **"Ordinary Resolution of the Group 1 Noteholders"** means a resolution passed at a properly constituted meeting of the Group 1 Noteholders, by a majority of the votes cast at a poll by the members of the Group 1 Noteholders, present in person or by proxy;
- 1.29 **"Permitted Treasury Transactions"** means:
- 1.29.1 any Treasury Transaction entered into with a lender under any incurrence permitted under a Working Capital Facility Agreement in terms of Condition 24.1.2.1; and
- 1.29.2 any Treasury Transaction entered into in the ordinary course of business (and not for investment or speculative purposes) on arm's length terms where used as a hedge to protect against an actual exposure or risk incurred or to be incurred by the Issuer or a Subsidiary Guarantor as a result of:
- 1.29.2.1 interest rate exposure in relation to any payment obligations on interest bearing Financial Indebtedness in the ordinary course of business; or
- 1.29.2.2 currency exposure in respect of payments due under import contracts;
- provided that in respect of any Treasury Transaction permitted pursuant to this Condition:
- 1.29.2.3 any restructure, refinancing or amendment of such Treasury Transaction which results in the extension of the due date for payment of any amount payable under such Treasury Transaction or any increase of the Indebtedness of the Issuer or a Subsidiary Guarantor shall only be permitted if this condition is complied with; or
- 1.29.2.4 if such Treasury Transaction is concluded on the basis, or with the result, that at the time at which such Treasury Transaction is concluded or becomes effective (the Relevant Date), it results in the incurrence of Financial Indebtedness by the Issuer or a Subsidiary Guarantor on the Relevant Date, it shall only be permitted if it complies with this condition.
- 1.30 **"Person"** means any individual, company, partnership, joint venture, association, trust, unincorporated organisation or government or any agency or political subdivision thereof;

- 1.31 **"Property Finance Facilities"** means one or more debt facilities specifically relating to fixed property finance granted to an Obligor, as amended, restated, replaced or refinanced in whole or in part from time to time;
- 1.32 **"Pro Rata Share"** means, in relation to a Group 1 Note, the ratio which the Outstanding Principal Amount of that Group 1 Note bears to the Outstanding Principal Amount of all the Group 1 Notes;
- 1.33 **"Security Cession"** means the cession in security by each of Pinnacle Micro (Pty) Ltd (Registration number 1993/000917/07), Axiz (Pty) Ltd (Registration number 1989/000907/07) and Centrafin (Pty) Ltd (Registration number 2000/011521/07), of its reversionary right, title and interest in and to its trade and financial receivables, granted to the Trustee on behalf of and for the benefit of the Group 1 Noteholders, as security for its obligations to the Group 1 Noteholders under any Finance Document to which it is a party, including the Subsidiary Guarantee, and ranking second only to the security cession in favour of the bank or similar financial institution lenders to each such cedent;
- 1.34 **"Transaction Costs"** means all once off costs associated with the establishment of the domestic medium term note programme and initial issuance of Notes thereunder, with a cap of R2 000 000;
- 1.35 **"Treasury Transaction"** means any currency or interest purchase, cap or collar agreement, forward rate agreements, interest rates or currency future or option contracts, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap or combined interest rate and currency swap agreement and any other similar agreement in each case entered into in connection with any fluctuation in any rate or price; and
- 1.36 **"Trust Deed"** means the trust deed constituting the Pinnacle Technology Holdings Note Trust;
- 1.37 **"Trustee"** means the trustee for the time being of the Pinnacle Technology Holdings Note Trust, acting on behalf of and for the benefit of the Group 1 Noteholders, which shall initially be GMG Trust Company (SA) (Pty) Ltd (Registration number 2006/013631/07), a company duly registered and incorporated in accordance with the company laws of South Africa;
- 1.38 **"Working Capital Facilities"** means one or more general bank facilities or revolving credit facilities granted to an Obligor, as amended, restated, replaced or refinanced in whole or in part from time to time.



DOCUMENTS INCORPORATED BY REFERENCE

For so long as the Group 1 Notes are outstanding, the following documents listed below are deemed to be incorporated into, and to form part of, the Programme Memorandum in addition to the documents listed in the Programme Memorandum and will be available for inspection by Noteholders at the registered office of the Issuer following signature thereof:

- (a) the Trust Deed; and
- (b) the Security Cession.

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TRUSTEE

GMG Trust Company (SA) (Pty) Ltd (Registration number 2006/013631/07) will be appointed in terms of a trust deed between the Trustee and the Issuer, to act as trustee on behalf of and for the benefit of Group 1 Noteholders.

Pursuant to the Trust Deed, the Trustee is entitled to exercise the rights conferred on the Trustee and is obliged to perform the duties imposed on the Trustee in terms of the Conditions of the Group 1 Notes, including the rights and duties in terms of Condition 12.2 (Steps following an Event of Default relating to the Group 1 Notes), Condition 24 (Covenants) and Condition 26 (Meetings of the Group 1 Noteholders).

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer or any Obligor which has furnished security as it may think fit to enforce the provisions of the Trust Deed, the Group 1 Notes, the Security Cession or any other Finance Document, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Group 1 Notes, the Security Cession or any other Finance Document, unless (i) it shall have been so directed by an Extraordinary Resolution of the Group 1 Noteholders or been so requested in writing by Group 1 Noteholders holding at least one-quarter of the aggregate Principal Amount of the Group 1 Notes for the time being outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder of the Series shall be entitled to proceed directly against the Issuer or any Obligor which has furnished security unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

The Trust Deed sets out provisions relating to the replacement of the Trustee, including following a resolution to this effect by the Noteholders, by a majority consisting of not less than 75% of the votes cast on a poll by the Noteholders, present in person or by proxy at a meeting convened in terms of the Terms and Conditions of the Notes.

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Trustee may rely without liability to Group 1 Noteholders on a report, confirmation or certificate or any advice of any accountants, financial advisers or investment bank, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Group 1 Noteholders in the absence of manifest error.

In connection with the exercise of its functions the Trustee shall have regard to the interests of the Group Noteholders as a class and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Group 1 Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction



of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Noteholder of the Series be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Group 1 Noteholders.

